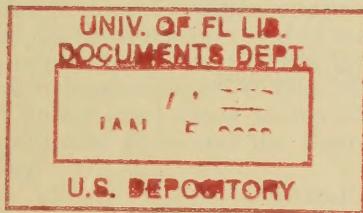
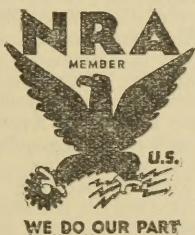


NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
WOOD PLUG INDUSTRY

AS APPROVED ON NOVEMBER 7, 1934



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Approved Code No. 115—Amendment No. 2

**AMENDMENT TO CODE OF FAIR COMPETITION
FOR THE
WOOD PLUG INDUSTRY**

As Approved on November 7, 1934

ORDER

**APPROVING AMENDMENT OF CODE OF FAIR COMPETITION FOR THE WOOD
PLUG INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of amendments to a Code of Fair Competition for the Wood Plug Industry, and hearings having been duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, the National Industrial Recovery Board, pursuant to authority vested in it by Executive Orders of the President, including Executive Order No. 6859, and otherwise, does hereby incorporate by reference said annexed report and does find that said code complies in all respects with the pertinent provisions and will promote the policies and purposes of said Title of said Act; and does hereby order that said amendments be and they are hereby approved; and that the previous approval of said Code is hereby amended to include an approval of said Code in its entirety as amended, such approval and such amendments to take effect ten (10) days from the date hereof, unless good cause to the contrary is shown to the said Board before that time and the Board issues a subsequent Order to that effect.

**NATIONAL INDUSTRIAL RECOVERY BOARD,
By W. A. HARRIMAN, *Administrative Officer.***

Approval recommended:

W. P. ELLIS,

Acting Division Administrator.

WASHINGTON, D. C.,

November 7, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

SIR: This is a report on the amendments to the Code of Fair Competition for the Wood Plug Industry and on the hearing conducted thereon in Washington, D. C., on April 26, 1934, in accordance with the provisions of Title I of the National Industrial Recovery Act.

The Wood Plug Industry through the Code Authority has offered amendments to its Code of Fair Competition. Seven proposed amendments were submitted by the Code Authority, but subsequently to the public hearing one amendment as originally proposed has been changed to conform to revised policy.

The proposed amendments in their final form are summarized herewith:

The first amendment defines the term "Member of the Industry" to conform to established policy.

The second amendment clarifies and amplifies the provision relative to hours of the Code.

The third amendment places upon the employer the responsibility of providing for the safety and health of employees and the establishment of standards therefor.

The fourth amendment provides that recommendations of the Code Authority upon approval by the said Board shall be made an integral part of this Code.

The fifth amendment is a new section to Article VI, and grants to the Code Authority the use of trade associations and other agencies as it deems proper for the carrying out of any of its activities provided herein, but does not relieve the Code Authority of its duties and responsibilities under this Code.

The sixth amendment specifies the right of the said Board to suspend any action of the Code Authority pending investigation.

The seventh amendment revises the provisions relative to price cutting, uniform cost accounting, emergencies, and price filing.

FINDINGS

The Deputy Administrator in his final report to us on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

We find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general

welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The amendments and the Code as amended are not designated to and will not permit monopolies or monopolistic practices.

(c) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(e) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons, therefore, we have approved these amendments.

For the National Industrial Recovery Board:

W. A. HARRIMAN, *Administrative Officer.*

NOVEMBER 7, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE WOOD PLUG INDUSTRY

ARTICLE II. Change definition of term "member of the industry" to read as follows:

"The term member of the industry includes, but without limitation any individual, partnership, association, corporation or other form of enterprise engaged in the industry, either as an employer or on his or its own behalf."

ARTICLE III. Section 1, after the phrase "in any twenty-four (24) hour period" add the phrase "nor more than six days in any calendar week" and change the word "hereinbefore" to "hereinafter."

ARTICLE V. Section 8 is added to read as follows:

"Every employer shall provide for the safety and health of employees during the hours and at the places of their employment. Standards for safety and health shall be submitted by the Code Authority to the National Industrial Recovery Board not later than sixty (60) days after the effective date hereof. On approval by the said Board, after such notice and hearings as it may prescribe, such standards shall become integral parts of this Code."

ARTICLE VI. Section 2 (b). Add the following:

"Such recommendations upon approval by the National Industrial Recovery Board after such notice and hearings as it may prescribe shall become integral parts of this Code."

ARTICLE VI. Section 2. Add Subsection (f) as follows:

"The Code Authority may use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided herein; provided that nothing herein shall relieve the Code Authority of its duties and responsibilities under this Code and that such trade associations and other agencies shall be subject to and comply with the provisions thereof."

ARTICLE VI. Section 4 is added to read as follows:

"If the National Industrial Recovery Board shall determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the said Board may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by the Code Authority or agency pending final action which shall not be effective unless said Board approves or unless it shall fail to disapprove after 30 days' notice to it of intention to proceed with such action in its original or modified form."

ARTICLE VII. Section 1. Delete this Section and substitute the following:

SECTION 1 (A). (a) Each member of the Industry shall file with a confidential and disinterested agent of the Code Authority or, if

none, then with such an agent designated by the National Industrial Recovery Board, identified lists of all of his prices, discounts, rebates, allowances, and all other terms or conditions of sale, hereinafter in this article referred to as price terms, which lists shall completely and accurately conform to and represent the individual pricing practices of said member. Such lists shall contain the price terms for all such standard products of the industry as are sold or offered for sale by said member and for such nonstandard products of said member as shall be designated by the Code Authority. Said price terms shall in the first instance be filed within ten (10) days after the date of approval of this provision. Price terms and revised price terms shall become effective immediately upon receipt thereof by said agent. Immediately upon receipt thereof, said agent shall by telegraph or other equally prompt means notify said member of the time of such receipt. Such lists and revisions, together with the effective time thereof, shall upon receipt be immediately and simultaneously distributed to all members of the industry and to all of their customers who have applied therefor and have offered to defray the cost actually incurred by the Code Authority in the preparation and distribution thereof and be available for inspection by any of their customers at the office of such agent. Said lists or revisions or any part thereof shall not be made available to any person until released to all members of the industry and their customers, as aforesaid; provided, that prices filed in the first instance shall not be released until the expiration of the aforesaid ten (10) day period after the approval of this provision. The Code Authority shall maintain a permanent file of all price terms filed as herein provided, and shall not destroy any part of such records except upon written consent of said Board. Upon request the Code Authority shall furnish to said Board or any duly designated agent of said Board copies of any such lists or revisions of price terms.

(b) When any member of the industry has filed any revision, such member shall not file a higher price within forty-eight (48) hours.

(c) No member of the industry shall sell or offer to sell any products of the industry, for which price terms have been filed pursuant to the provisions of this Article, except in accordance with such price terms.

(d) No member of the industry shall enter into any agreement, understanding, combination or conspiracy to fix or maintain price terms, nor cause or attempt to cause any member of the industry to change his price terms by the use of intimidation, coercion, or any other influence inconsistent with the maintenance of the free and open market which it is the purpose of this Article to create.

SECTION 1 (B). The standards of fair competition for the industry with reference to pricing practices are declared to be as follows:

(a) Wilfully destructive price cutting is an unfair method of competition and is forbidden. Any member of the industry or of any other industry or the customers of either may at any time complain to the Code Authority that any filed price constitutes unfair competition a destructive price cutting, imperiling small enterprise or tending toward monopoly or the impairment of code wages and working conditions. The Code Authority shall within five (5) days afford an opportunity to the member filing the price to answer such com-



plaint and shall within fourteen (14) days make a ruling or adjustment thereon. If such ruling is not concurred in by either party to the complaint, all papers shall be referred to the Research and Planning Division of N. R. A. which shall render a report and recommendation thereon to the National Industrial Recovery Board.

(b) When no declared emergency exists as to any given product, there is to be no fixed minimum basis for prices. It is intended that sound cost estimating methods should be used and that consideration should be given to costs in the determination of pricing policies.

(c) When an emergency exists as to any given product, sale below the stated minimum price of such product, in violation of Subsection (a), Section 1 (C), (Emergency Provisions) hereof, is forbidden.

SECTION 1 (C). (a) If the National Industrial Recovery Board after investigation shall at any time find both (1) that an emergency has arisen within the industry adversely affecting small enterprises or wages or labor conditions, or tending toward monopoly or other acute conditions which tend to defeat the purposes of the Act; and (2) that the determination of the stated minimum price for a specified product within the industry for a limited period is necessary to mitigate the conditions constituting such emergency and to effectuate the purposes of the Act, the Code Authority may cause an impartial agency to investigate costs and to recommend to the said Board a determination of the stated minimum price of the product affected by the emergency and thereupon the said Board may proceed to determine such stated minimum price.

(b) When the National Industrial Recovery Board shall have determined such stated minimum price for a specified product for a stated period which price shall be reasonably calculated to mitigate the conditions of such emergency and to effectuate the purposes of the National Industrial Recovery Act, the Board shall publish such price. Thereafter, during such stated period, no member of the industry shall sell such specified products at a net realized price below said stated minimum price and any such sale shall be deemed destructive price cutting. From time to time the Code Authority may recommend review or reconsideration or the said Board may cause any determination hereunder to be reviewed or reconsidered and appropriate action taken.

SECTION 1 (D). (a) The Code Authority shall cause to be formulated methods of cost finding and accounting capable of use by all members of the industry, and shall submit such methods to the National Industrial Recovery Board for review. If approved by the said Board, full information concerning such methods shall be made available to all members of the Industry. Thereafter, each member of the industry shall utilize such methods to the extent found practicable. Nothing herein contained shall be construed to permit the Code Authority, any agent thereof, or any member of the industry to suggest uniform additions, percentages or differentials or other uniform items of cost which are designed to bring about arbitrary uniformity of costs or prices.